

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
(831) 427-4863



Th9b

MEMORANDUM**December 10, 2002**

TO: Commissioners and Interested Parties

FROM: Steve Monowitz, Permit Supervisor
Jonathan Bishop, Coastal Program Analyst

RE: Addendum to Item Th9b (A-3-SLO-02-050, Monaco SFD)

The following items are to be corrected in the staff report.

1. Resolution - Staff incorrectly worded the Resolution granting approval of the permit. On page 3 of the staff report, in Section 1 ("Staff Recommendation On Coastal Development Permit"), the Resolution should read as follows:

RESOLUTION TO APPROVE THE PERMIT: The Commission hereby approves a coastal development permit for the proposed development and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the ~~policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3~~ provisions of the San Luis Obispo County certified Local Coastal Program. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

2. Special Condition 2 – Staff has revised Special Condition 2 on pages 4 –5 of the staff report to better coordinate implementation of water retrofit requirements with existing District programs as follows:

No Net Increase in Water Use Allowed. PRIOR TO ISSUANCE OF THE PERMIT, the applicant shall submit, for Executive Director review and approval, evidence that the anticipated water use of this development has been completely offset through the retrofit of existing water fixtures within the Cambria Community Service District's service area or other verifiable action to reduce existing water use in the service area (e.g., replacement of irrigated landscaping with xeriscaping). The documentation submitted to the Executive Director shall include written evidence that the Cambria Community Service District (CCSD) has determined that the applicant has complied with CCSD Ordinance 1-98, as approved by the CCSD Board of Directors on January 26, 1998 (attached as Exhibit 6), and further modified by CCSD Board approval on November 14, 2002 (CCSD board item VIII.B attached as Exhibit 7), subject to the limitation that no retrofit credits shall have been obtained by any of the following means: a) contributing to in-lieu fee programs, b) extinguishing agricultural

water use, or c) funding leak detection programs.

The remainder of Special Condition 2 has been deleted.

3. Add Special Condition #5. On page 6 of the staff report, in Section 2 (“Conditions of Approval”), Subsection B (“Special Conditions”), insert the following special condition:

5. Landscape Plan. PRIOR TO ISSUANCE OF THE PERMIT, the applicant shall submit for Executive Director review and approval, a Landscape Plan that provides for the planting of all open areas of the site disturbed by project construction with native, drought and fire resistant species that are compatible with the habitat values of the surrounding forest. In addition, non-native, invasive, and water intensive (e.g. turf grass) landscaping shall be prohibited on the entire site.

4. Insert Additional Findings Text. On page 14 of the staff report, in Section 5 (“Coastal Development Permit Determination”), Subsection B (2) (“Environmentally Sensitive Habitat Areas”) of the findings, insert the following finding text to the end of the section:

The project is located in the Monterey pine forest terrestrial habitat. ESHA Policy 27 calls for the preservation of sensitive terrestrial habitats such as the pine forest by protecting the entire ecological community. The ordinances implementing these policies (CZLUO Section 23.07.176 and NCAP Monterey Pine Preservation SRA Policy) require that new development minimize disruption of the habitat. In accordance with Section 23.07.176 (b) of the CZLUO and North Coast Area Plan Standards for development in Lodge Hill, carefully planned landscaping including the use of native plant species is required to protect the Monterey pine forest habitat. Therefore, Special Condition 5 requires the submittal of a landscape plan that allows only native, drought tolerant plant species, which are compatible with the habitat values of the surrounding forest to be used for landscaping. In addition, Special Condition 5 prohibits the planting of non-native species anywhere on the site in order to prevent their spread into the area’s natural habitat, thereby ensuring the continuance of the native forest ecological community.

As required by Special Condition 5, these measures will minimize disturbance and support the continuation of the habitat values within the ESHA, and will carry out LCP standards for development on forested lots in Lodge Hill.

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Th9b

Filed: 07/5/02
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Substantial Issue: 08/08/02
Staff: JB
Staff report prepared: 11/21/02
Hearing date: 12/12/02
Hearing item number: Th9b

APPEAL STAFF REPORT DE NOVO HEARING

Appeal number **A-3-SLO-02-050, Monaco SFD**

Applicants Steve and Sue Monaco

Appellant(s) Ken Renshaw

Project location Ogden Drive (West Lodge Hill area), Cambria, San Luis Obispo County (APN 023-122-018).

Project description Construct a single-family residence and attached garage with a 1,677 sq. ft. footprint and 2,967 sq. ft. of gross structural area, and 387 sq. ft. transfer of development credits.

Local approval San Luis Obispo County: Coastal Development Permit D010064P.

File documents San Luis Obispo County Certified Local Coastal Program; Coastal Development Permit D010064P; SLO County Staff Report (5/21/02); Coastal Commission Staff Report on the North Coast Area Plan Update (San Luis Obispo County Local Coastal Program Amendment No. 1-97); San Luis Obispo County LCP 2001 Periodic Review.

Staff recommendation ... **Approval with Conditions**

Summary of the Staff Recommendation: The proposed development of a single-family residence raises concerns regarding the availability of adequate public services and the protection of environmentally sensitive habitat areas (ESHA) in the community of Cambria. As required by Public Works Policy 1 of San Luis Obispo County's *Coastal Plan Policies*, all new development must demonstrate that there is sufficient water supply to serve the development. The San Luis Obispo County certified Local Coastal Program (LCP) further requires that adequate water supplies be reserved for the protection of ESHA, and for priority uses such as agriculture and visitor-serving development.

The Commission has previously recognized the serious water supply situation in Cambria, and has identified a process for resolving these concerns. In the Periodic Review of the San Luis Obispo County Local Coastal Program adopted in July 2001, the Commission recommended that no additional



California Coastal Commission
December 2002 Meeting in San Francisco

Staff: J.Bishop Approved by:

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development that would require a new water connection, or otherwise create additional water withdrawals from Santa Rosa, be permitted after January 1, 2002, unless certain findings could be made (Periodic Review Recommendation 2.13).

It is clear that significant uncertainty still exists with respect to the environmental sustainability of the community's water supply, and that the findings called for by Periodic Review Recommendation 2.13 cannot be made. However, since the adoption of the Periodic Review, the Cambria Community Services District (CCSD) has taken an important step towards addressing these concerns. Namely, in November 2001, the CCSD declared a water supply emergency, which has essentially halted the issuance of new intent to serve letters by the CCSD. As a result, new development in Cambria being permitted by the County is generally limited to those projects that the CCSD committed to serving prior to the declaration of the water supply emergency, otherwise referred to as "pipeline projects". The proposed development that is the subject of this permit application is an example of such a pipeline project.

Notwithstanding the action by the CCSD to limit additional demands on Cambria water supply, the question remains whether there is adequate water available to meet the cumulative water demands associated with the pipeline projects and existing development, and at the same time protect ESHA as required by the LCP. The burden of the uncertainty in the existing water supply must not be placed on coastal resources. Staff therefore recommends approval of the project, subject to a special retrofitting condition that would offset the additional water withdrawals caused by the project. This approach will allow the limited number of pipeline projects to proceed in a manner that will not exacerbate existing concerns regarding the adequacy of Cambria water supplies. With this condition the project will avoid inconsistencies with LCP requirements calling for adequate water supplies and the protection of ESHA.

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1. Staff Recommendation On Coastal Development Permit

Staff recommends that the Commission, after public hearing, **approve** a coastal development permit for the proposed development subject to the standard and special conditions below.

MOTION: I move that the Commission approve Coastal Development Permit Number A-3-SLO-02-050 pursuant to the staff recommendation.

STAFF RECOMMENDATION OF APPROVAL: Staff recommends a **YES** vote. Passage of this motion will result in approval of the coastal development permit as conditioned and adoption of the following resolution and findings. The motion passes only by an affirmative vote by a majority of the Commissioners present.

RESOLUTION TO APPROVE THE PERMIT: The Commission hereby approves a coastal development permit for the proposed development and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.



2. Conditions of Approval

A. Standard Conditions

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the Permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

B. Special Conditions

1. **Scope of Permit.** The development authorized by this permit is limited to construction of the following, subject to Executive Director review and approval of final plans and compliance with all conditions of this permit.

- a. 2,967 square foot single-family residence with: 1,677 square feet of footprint (including 387 square feet of TDC's), and a maximum height of 28 feet (measured in accordance with Section 23.04.122 of the CZLUO).

2. **No Net Increase in Water Use Allowed.** PRIOR TO ISSUANCE OF THE PERMIT, the applicant shall submit, for Executive Director review and approval, evidence that the anticipated water use of this development has been completely offset through the retrofit of existing water fixtures within the Cambria Community Service District's service area or other verifiable action to reduce existing water use in the service area (e.g., replacement of irrigated landscaping with xeriscaping). The documentation submitted to the Executive Director shall include:

- a. A detailed assessment of anticipated total water use (including water used for both domestic and landscaping purposes) of the approved development, measured in gallons per year, prepared by a qualified professional, and approved by the Cambria Community Services District. This assessment shall include the specific data and analyses used to estimate water use, including the number of



bedrooms/occupants, the number and types of water fixtures and appliances, the type and extent of project landscaping, and the proposed method of landscape irrigation.

b. A detailed description of the water saving action(s) that have been taken to offset the amount of water that will be used by the project, and the amount of water savings expected to result from these actions in gallons per year. For retrofits, this shall include a description of the existing and replacement fixtures, their associated water flows, their estimated frequency of use, and the quantity of water savings expected as a result of the retrofits, calculated by a qualified professional. For water savings achieved by reducing landscape irrigation, the applicant shall document the landscaping to be removed, and submit a replacement landscape plan that documents the use of native drought resistant plants and water conserving irrigation techniques, and a quantification of the expected water savings calculated by a landscape professional.

c. The specific address/location of where the retrofits and/or landscaping changes identified in the preceding subsection took place and the dates that they were completed, including certification of successful installation by the installers.

d. Written verification that the Cambria Community Services District concurs that the completed retrofits and/or landscape changes will result in water savings that meets or exceeds the anticipated water use of the project.

e. Either (1) deed restrictions, in a form and content acceptable to the Executive Director, and executed and recorded by the owner(s) of the sites/locations identified pursuant to subsection “c” above, requiring that water conserving fixtures/landscaping installed on the project site, and on the identified non-project sites, will be maintained for the life of the project. The deed restrictions shall indicate that, pursuant to this permit, the California Coastal Commission has authorized development on the subject property, subject to terms and conditions that restrict the use and enjoyment of the project site and of those properties whose use of water must be reduced to offset the projected water requirements of the proposed project. The deed restriction shall include a legal description of the parcels governed or affected by this Special Condition, and shall be run with the land, binding all successors and assigns, and shall be recorded free of all prior liens that the Executive Director determines may affect the enforceability of the restriction. Or, (2) as an alternative to deed restrictions, evidence that a monitoring system will be administered by the Cambria Community Services District to ensure that the water reduction requirements of this condition will be effectively maintained. Such a monitoring plan in lieu of deed restrictions must include adequate assurances and commitments that the Cambria Community Services District will monitor and regulate water use at the project site and retrofit sites consistent with the terms of this condition.

- 3. Grading, Drainage, and Erosion Control Plans.** PRIOR TO ISSUANCE OF THE PERMIT, the applicant shall submit, for Executive Director review and approval, a drainage and polluted runoff control plan designed by a licensed engineer that satisfy the requirements of CZLUO Sections 23.05.024 – 23.05.050, and prohibits ground disturbing activities between October 15 and April 1. The plans shall



also identify that ground disturbing activities are also prohibited when the National Weather Service reports a 30% or greater chance of rain. In addition, the plans shall conform to the following requirements:

Implementation of Best Management Practices During Construction. The Drainage and Erosion Control Plans shall identify the type and location of the measures that will be implemented during construction to prevent erosion, sedimentation, and the discharge of pollutants during construction. These measures shall be selected and designed in accordance with the California Storm Water Best Management Practices Handbook and the criteria established by the San Luis Obispo County Resource Conservation District. Among these measures, the plans shall limit the extent of land disturbance to the minimum amount necessary to construct the project; designate areas for the staging of construction equipment and materials, including receptacles and temporary stockpiles of graded materials, which shall be covered on a daily basis; provide for the installation of silt fences, temporary detention basins, and/or other controls to intercept, filter, and remove sediments contained in the runoff from construction, staging, and storage/stockpile areas; and provide for the hydro seeding of disturbed areas immediately upon conclusion of construction activities in that area. The plans shall also incorporate good construction housekeeping measures, including the use of dry cleanup measures whenever possible; collecting and filtering cleanup water when dry cleanup methods are not feasible; cleaning and refueling construction equipment at designated off site maintenance areas; any the immediate clean-up of any leaks or spills. The plans shall indicate that **PRIOR TO THE COMMENCEMENT OF GRADING**, the applicant shall delineate that the approved construction areas with fencing and markers to prevent land-disturbing activities from taking place outside of these areas.

Post Construction Drainage. The drainage plan shall identify the specific type, design, and location of all drainage infrastructure necessary to ensure that post construction drainage from the project does not result in erosion, sedimentation, or the degradation of coastal water quality. The capacity of filtration and treatment features shall be adequate to effectively remove sediments and pollutants during an 85th percentile 24-hour runoff event. In areas where rocks or other energy dissipation structure be needed, the drainage plan shall include detailed plans which limit the size and footprint of such structure to the minimum necessary to achieve effective erosion control.

The applicant shall be responsible for implementing and maintaining drainage and erosion control measures and facilities for the life of the project. This shall include performing annual inspections, and conducting all necessary clean-outs, immediately prior to the rainy season (beginning October 15), and as otherwise necessary to maintain the proper functioning of the approved drainage system.

4. Archeology. **PRIOR TO CONSTRUCTION**, the applicant shall submit, for Executive Director review and approval, evidence that all special conditions related to archaeology imposed by the County of San Luis Obispo have been implemented in accordance with the local approval D010064P (County Condition of Approvals # 6, 7, 8, 9, 10, and 11). See Exhibit 1 for a complete text of these conditions.



Recommended Findings and Declarations

The Commission finds and declares as follows:

3. Project Background

The proposed project was approved by a 4-1 vote of the San Luis Obispo County Board of Supervisors on May 21, 2002. Ken Renshaw appealed this action to the Commission on July 5, 2002. On August 8, 2002 in San Luis Obispo, the Commission held a substantial issue hearing on the project and found that the appeal raised a substantial issue in terms of the projects consistency with the San Luis Obispo County LCP. As a result, the Commission took jurisdiction over the coastal development permit (CDP) for the project.

4. Project Description

The project is located at Ogden Drive in the West Lodge Hill community of Cambria, San Luis Obispo County. West Lodge Hill is an extensive residential area located within the Monterey Pine forest terrestrial habitat, south of Highway One (Exhibit 1). The topography of the West Lodge Hill area is varied with numerous ridges and gullies, steep slopes, and nearly flat areas along the marine terrace. The majority of the lots in the area are very small, typically 25 feet by 70 feet, and therefore historic development has been relatively dense. However, it is common for present-day proposals to consolidate two or three lots to create larger sites more appropriate for development.

The project site is an oversized double lot of approximately 4,521 square feet. The proposed 2,967 square foot residence consists of the garage and living space on two levels, both above the average natural grade. The overall height of the proposed residence is 28 feet, as measured from the average natural grade of the site (see Exhibit 3 for proposed Site Plans and Elevations).

5. Coastal Development Permit Determination

A. Public Services

1. Relevant Local Coastal Program Provisions

As required by Public Works Policy 1, all new development must demonstrate that there is sufficient water supply to serve the development:

Public Works Policy 1: Availability of Service Capacity

New development (including divisions of land) shall demonstrate that adequate public or private service capacities are available to serve the proposed development. Priority shall be given to infilling within existing subdivided areas. Prior to permitting all new development, a finding shall be made that there are sufficient services to serve the proposed



development given the already outstanding commitment to existing lots within the urban service line for which services will be needed consistent with the Resource Management System where applicable...

This policy is implemented by CZLUO 23.04.430:

CZLUO Section 23.04.430 - Availability of Water Supply and Sewage Disposal Services. *A land use permit for new development that requires water or disposal of sewage shall not be approved unless the applicable approval body determines that there is adequate water and sewage disposal capacity available to serve the proposed development, as provided by this section . . .*

In addition to these urban service policies, water supply for new development in Cambria must also be considered in light of LCP priorities for Agriculture and Visitor-serving development.

Agriculture Policy 7: Water Supplies

Water extractions consistent with habitat protection requirements shall give highest priority to preserving available supplies for existing or expanded agricultural uses. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]

Recreation & Visitor-Serving Facilities Policy 2: Priority for Visitor-Serving Facilities.

Recreational development and commercial visitor-serving facilities shall have priority over non-coastal dependent use, but not over agriculture or coastal dependent industry in accordance with PRC 30222. All uses shall be consistent with protection of significant coastal resources... [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]

Finally, The North Coast Area Plan component of the LCP contains a development standard for the Cambria Urban Area that requires:

Reservation of Service Capacity. *To allow for continued growth of visitor-serving facilities, 20% of the water and sewer capacity shall be reserved for visitor-serving and commercial uses.*

2. Consistency Analysis

Since passage of the Coastal Act, the Commission has recognized that Cambria's limited water supplies place a serious constraint on the buildout of this community. Concerns regarding the adequacy and reliability of Cambria's water supplies have been coupled with concerns that excessive withdrawals from San Simeon and Santa Rosa creeks will have significant adverse impacts on environmentally sensitive habitat areas. These concerns are detailed in the Commission's review of the North Coast Area Plan Update proposed by the County in 1997, and in the Periodic Review of the San Luis Obispo County LCP adopted by the Commission in July 2001 (see Exhibits 4 & 5). This analysis is incorporated by reference into these findings.



Recent events have reaffirmed the tenuous situation of Cambria's water supply. On October 25, 2001 the CCSD Board of Directors considered whether to pursue the declaration of a water shortage emergency. At that meeting, the Board of Directors determined that sufficient evidence existed to consider the declaration of a water shortage emergency based on an inability to accommodate the anticipated growth of the community in the near future. At this same meeting the Board voted to approve thirty-eight (38) intent-to-serve letters (one of which is the subject of appeal).

On November 15, 2001 the CCSD Board of Directors declared a water emergency. Part of this action included not allowing any additional intent-to-serve letters to be issued (i.e. anything beyond those that were issued during the October 25, 2001 meeting). The following list includes additional actions adopted by the CCSD to accompany the declaration of a water emergency:

- Reactivate the retro-fit program as contained in the CCSD Ordinances 1-98, 2-98, and 2-99;
- Investigate additional opportunities to implement water saving measures through the retro-fit program;
- Enforce Ordinance 4-2000 (water waste provision);
- Identify any additional opportunities to improve Ordinance 4-2000;
- Request that the County of San Luis Obispo adopt restrictions on the installation of landscaping within the Cambria CSD to minimize the impact or irrigation on water supplies;
- Develop a plan to ensure the enforcement of all restrictions and regulations regarding water usage in Cambria;
- Pursue the development of water master plan;
- Evaluate the current rate structure and develop changes and improvements.

Through the declaration of a moratorium on new water connections, the CCSD has taken a critical step in curbing short-term development potential in Cambria. Since October 25, 2001 no new intent-to-serve letters have been issued by the CCSD. This action, in turn, has generally limited County approval of coastal development permits in Cambria to those projects that obtained a commitment of water services prior to November 15, 2002.

As of August 21, 2002, the CCSD has indicated that there were a number of "intent-to-serve" letters currently outstanding from the CCSD that have yet to complete the County permit process. These outstanding commitments include both residential and commercial development totaling 102 "Equivalent Dwelling Units" (EDU's), or, according to CCSD calculation, approximately 9,000 gallons of water per day. The total average current daily water production by the CCSD equals 720,000 gallons of water. Accordingly, based on CCSD's figures, the water use attributable to these outstanding intent-to-serve letters represent an approximate 1.25% increase in total water supplies needed to serve these outstanding commitments.

In addition to outstanding intent-to-serve letters, there are an additional 45.7 inactive "grandfathered" EDU allocations, 13 single-family active meters in place, but not activated, and 27 connection permits that are being issued for recently processed building permits. Thus, the potential increase in water use



associated with the full range of “pipeline projects” appears to be significantly greater than the 9,000 gallons per day estimated above.

In terms of this coastal development permit analysis, the cumulative increase in water use associated with pipeline projects, and the significant outstanding concerns regarding the adequacy of water supplies raise issues regarding compliance with LCP Public Works Policy 1, which requires that:

prior to permitting all new development, a finding shall be made that there are sufficient services to serve the proposed development given the already outstanding commitment to existing lots within the urban service line for which services will be needed

Contrary to this Policy, and as described above, it is unclear that there is adequate water available to serve both the proposed development and other outstanding commitments, and at the same time comply with LCP standards protecting ESHA. Accordingly, new development that will place additional demands on Cambria’s limited water supplies cannot be approved consistent with the requirements of LCP Public Works Policy 1.

Nonetheless, there is an interim approach for those projects deemed “in the pipeline ” that would allow these projects to move forward in the development process without creating additional water withdrawals. The approach involves the existing retrofit program of the CCSD, described below. Through the retrofit program, the replacement of old plumbing fixtures with lower use modern ones would allow Cambria’s finite water supply to be stretched. By doing so, existing water supplies are used more efficiently, resulting in water savings that can be used for the new “pipeline projects.” To implement this approach, the conditions of this permit allow the proposed development to be constructed only if its anticipated water use is completely offset through the implementation of verifiable water conserving actions, such as by replacing existing water fixtures with water conserving fixtures, and/or replacing irrigated landscapes with landscaping that requires little to no water.

Regardless of how the water savings is achieved (e.g. by actual retrofitting or retirement of existing water use), it is important to note that the success of this condition is limited by the finite number of non-retrofitted homes, businesses, and other un-retrofitted facilities remaining in the community; there must be an adequate amount of water saving opportunities available to offset the additional water use attributable to the pipeline projects. According to the CCSD there are adequate water savings opportunities currently available to achieve this objective.

It is also important to note that the CCSD already has a retrofit program in place, which allows property owners to purchase retrofit “points” . The CCSD banks these funds for future use towards water conservation projects. This approach, though, does not provide adequate guarantees that retrofits will be completed in a timely fashion, or adequately compensate for the additional water use attributable to the proposed development. Therefore, the conditions of this permit specify that the water conserving actions required to offset the increase in water demand associated with the pipeline projects must be completed before the coastal development permit is issued. The terms of this condition also call for the CCSD to



participate in reviewing the adequacy of the proposed water savings actions, and in ensuring that the necessary water saving actions are effectively implemented and maintained.

In addition to Public Works Policy 1, water supply for new development in Cambria must also be considered in light of LCP priorities for Agriculture and Visitor-serving development. In this situation, however, it does not appear that these priority use policies are relevant because there is no reserve capacity currently available. Only in the event that there was available capacity (which there is not), at least 20% would need to be reserved for visitor-serving and commercial uses.

3. Public Services Conclusion

By prohibiting a net increase in water use (see Special Condition 2), the project will not result in additional withdrawals and will thereby avoid adverse impacts to coastal resources. Only with this condition can the Commission approve the project consistent with the Public Works policies of the LCP, on the basis that the project will not place any new demands on public water supplies.

B. Environmentally Sensitive Habitat Area (ESHA)

The following LCP Policies for Environmentally Sensitive Habitats apply:

1. Relevant Local Coastal Program Provisions

Policy 1: Land Uses Within or Adjacent to Environmentally Sensitive Habitats

New development within or adjacent to locations of environmentally sensitive habitats (within 100 feet unless sites further removed would significantly disrupt the habitat) shall not significantly disrupt the resource. Within an existing resource, only those uses dependent on such resources shall be allowed in the area [THIS POLICY SHALL BE IMPLEMENTED PURSUANT TO SECTIONS 23.07.170-178 OF THE COASTAL ZONE LAND USE ORDINANCE (CZLUO).]

Policy 2: Permit Requirement

As a condition of permit approval, the applicant is required to demonstrate that there will be no significant impact on sensitive habitats and that proposed development or activities will be consistent with the biological continuance of the habitat. This shall include an evaluation of the site prepared by a qualified professional which provides: a) the maximum feasible mitigation measures (where appropriate), and b) a program for monitoring and evaluating the effectiveness of mitigation measures where appropriate. [THIS POLICY SHALL BE IMPLEMENTED PURSUANT TO SECTIONS 23.07.170-178 OF THE CZLUO].

Policy 5: Protection of Environmentally Sensitive Habitats

Coastal wetlands are recognized as environmentally sensitive habitat areas. The natural ecological functioning and productivity of wetlands and estuaries shall be protected, preserved and where feasible, restored. [THIS POLICY SHALL BE IMPLEMENTED PURSUANT TO SECTIONS 23.07.170-178 OF THE CZLUO].



Policy 18: Coastal Streams and Riparian Vegetation

Coastal streams and adjoining riparian vegetation are environmentally sensitive habitat areas and the natural hydrological system and ecological function of coastal streams shall be protected and preserved. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD AND PURSUANT TO SECTION 23.07.174.]

Policy 21: County and State Review of Coastal Stream Projects

The State Water Resources Control Board and the county shall ensure that the beneficial use of coastal stream waters is protected, for projects over which it has jurisdiction. For projects which do not fall under the review of the State Water Resources Control Board, the county (in its review of public works and stream alteration) shall ensure that the quantity and quality surface water discharge from streams and rivers shall be maintained at levels necessary to sustain the functional capacity of streams, wetlands, estuaries and lakes. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD AND PURSUANT TO SECTION 23.07.174 OF THE CZLUO.]

Other applicable standards include Policies 1 and 2 for Watersheds:

Policy 1: Preservation of Groundwater Basin

The long-term integrity of groundwater basins within the coastal zone shall be protected. The safe yield of the groundwater basin, including return and retained water, shall not be exceeded except as part of a conjunctive use or resource management program which assures that the biological productivity of aquatic habitats are not significantly adversely impacted. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]

Policy 2: Water Extractions

Extractions, impoundments and other water resource developments shall obtain all necessary county and/or state permits. All pertinent information on these uses (including water conservation opportunities and impacts on in-stream beneficial uses) will be incorporated into the database for the Resource Management System and shall be supplemented by all available private and public water resources studies available. Groundwater levels and surface flows shall be maintained to ensure that the quality of coastal waters, wetlands and streams is sufficient to provide for the optimum populations of marine organisms, and for the protection of human health. (Public works projects are discussed separately.) [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]

In addition, the following portions of CZLUO ordinances are applicable to the proposed project:

Section 23.07.164 – SRA Permit and Processing Requirements:

The land use permit requirements established by Chapters 23.03 (Permit Requirements), and 23.08 (Special Uses), are modified for the SRA combining designation as follows:

....(e) Required Findings: *Any land use permit application within a Sensitive Resource Area shall be approved only where the Review Authority can make the following required findings:*



- (1) The development will not create significant adverse effects on the natural features of the site or vicinity that were the basis for the Sensitive Resource Area designation, and will preserve and protect such features through the site design.*
- (2) Natural features and topography have been considered in the design and siting of all proposed physical improvements.*
- (3) Any proposed clearing of topsoil, trees, or other features is the minimum necessary to achieve safe and convenient access and siting of proposed structures, and will not create significant adverse effects on the identified sensitive resource.*
- (4) The soil and subsoil conditions are suitable for any proposed excavation; site preparation and drainage improvements have been designed to prevent soil erosion, and sedimentation of streams through undue surface runoff.*

Section 23.07.170 – Environmentally Sensitive Habitats:

The provisions of this section apply to development proposed within or adjacent to (within 100 feet of the boundary of) an Environmentally Sensitive Habitat as defined by Chapter 23.11 of this title, and as mapped by the Land Use Element combining designation maps.

... (b) Required findings: *Approval of a land use permit for a project within or adjacent to an Environmentally Sensitive Habitat shall not occur unless the applicable review body first finds that:*

- (1) There will be no significant negative impact on the identified sensitive habitat and the proposed use will be consistent with the biological continuance of the habitat.*
- (2) The proposed use will not significantly disrupt the habitat.*

... (d) Development standards for environmentally sensitive habitats:

- (1) New development within or adjacent to the habitat shall not significantly disrupt the resource.*
- (2) New development within the habitat shall be limited to those uses that are dependent upon the resource.*
- (3) Where feasible, damaged habitats shall be restored as a condition of development approval.*
- (4) Development shall be consistent with the biological continuance of the habitat.*
- (5) Grading adjacent to Environmentally Sensitive Habitats shall conform to the provisions of Section 23.05.034c (Grading Standards.)*

2. Consistency Analysis

Heightened water withdrawals needed to serve the project may significantly disrupt environmentally sensitive habitat areas inconsistent with the protection afforded this resource by the LCP. Inconsistent with ESHA Policies 1, 2, 5, 18 and 21, as well as Coastal Watershed Policies 1 and 2, the amount of



water needed to support existing and future development in Cambria may adversely impact sensitive instream, riparian, and wetland habitats supporting rare and important species such as Steelhead trout, Tidewater Goby, Southwestern pond turtle, and California Red Legged Frog.

Steelhead Streams

The Cambria Community Services District's water is supplied from wells that extract the underflow of San Simeon and Santa Rosa Creeks. Both creeks are known to support steelhead trout. The California Department of Fish and Game lists these creeks as important steelhead habitats. However, as discussed in the Public Works Findings, and inconsistent with ESHA and Watershed Policies, the anticipated levels of water withdrawal from both urban and agricultural users may deplete surface and groundwater flows needed for healthy steelhead spawning habitat. The amount of water flow needed to support this species can be determined through instream flow studies. The need for these studies was discussed at length in both the 1998 North Coast Update and the 2001 periodic Review. To date, these studies have not been completed. Although the CCSO annually monitors steelhead populations within the creeks, these monitoring activities have not provided the data and analyses needed to evaluate the impacts that water withdrawals may be having on the biological productivity and continuance of these sensitive habitat areas.

Riparian and Wetland Habitat

The protection of riparian and wetland habitat depends on a reliable and sustainable water supply. San Simeon and Santa Rosa Creeks support rare and important species such as Tidewater Goby, Southwestern pond turtle, and California Red Legged Frog. Both of these streams form at least a seasonal lagoon/wetland area in the late spring season. As discussed previously, the heightened levels of water withdrawals needed to serve the "pipeline projects" may deplete surface and groundwater flows. Inconsistent with ESHA and Watershed Policies, new development may reduce the sustainable level and quality of water flowing in these coastal creeks and in turn may have adverse impacts to sensitive riparian and wetland habitat. Again, the amount of water flow needed to support lagoon habitats and the sensitive species that rely on these habitats needs to be determined through instream flow studies that have yet to be completed.

3. ESHA Conclusion

LCP ESHA policies require that impacts to ESHA be avoided, and that development not significantly disrupt ESHA resources. New water withdrawals from San Simeon and Santa Rosa creeks may have adverse impacts to ESHA resources. As such, the Commission finds that the project, as proposed, is not consistent with the LCP's ESHA policies cited in this finding.

In order to find the project consistent with the ESHA policies, the project has been conditioned to avoid the creation of additional demands on Cambria's limited water supplies. This is necessary to avoid the significant impacts to sensitive riparian and wetland habitat that would accompany additional withdrawals from San Simeon and Santa Rosa creeks, particularly in sequential drought years. Only



with Special Condition 2 can the Commission can approve the project consistent to the ESHA policies contained in the certified San Luis Obispo County LCP.

C. Drainage and Erosion Control

1. Relevant Local Coastal Program Provisions

Coastal Watersheds Policy 10: Drainage Provision

Site design shall ensure THAT drainage does not increase erosion. This may be achieved either through on-site drainage retention, or conveyance to storm drains or suitable watercourses. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD AND PUSUANT TO SECTION 23.05.034 OF THE CZLUO.]

CZLUO Section 23.05.044 – Drainage Plan Preparation and Content:

- a. Basic drainage plan contents:*** *Except where an engineered drainage plan is required, a drainage plan is to include the following information about the site:*
 - (1) Flow lines of surface waters onto and off the site.*
 - (2) Existing and finished contours at two-foot intervals or other topographic information approved by the County Engineer.*
 - (3) Building pad, finished floor and street elevations, existing and proposed.*
 - (4) Existing and proposed drainage channels including drainage swales, ditches and berms.*
 - (5) Location and design of any proposed facilities for storage or for conveyance of runoff into indicated drainage channels, including sumps, basins, channels, culverts, ponds, storm drains, and drop inlets.*
 - (6) Estimates of existing and increased runoff resulting from the proposed improvements.*
 - (7) Proposed erosion and sedimentation control measures.*
 - (8) Proposed flood-proofing measures where determined to be necessary by the County Engineer.*

North Coast Area Plan – Single Family Residential (Lodge Hill) Standards

8. Site Development Standards. *New development shall satisfy the following standards:*

- a. Erosion Control.*** *In addition to other applicable requirements of the Coastal Zone Land Use Ordinance, the following shall also be met:*
 - (1) All runoff from impervious surfaces such as roofs, driveways, walks, patios, decks, shall be collected and detained on-site, or passed on through an effective erosion control device or drainage system approved by the County Engineer.*



- (2) Permanent erosion control devices shall be installed prior to or concurrently with on-site grading activities.*
- (3) If grading is to occur between October 15 to April 15, a sedimentation and erosion control plan shall be submitted per Coastal Zone Land Use Ordinance Section 23.05.036.*
- (4) Grading, filling or site disturbance of existing soil and vegetation shall be limited to the minimum areas necessary.*
- (5) Stockpiles and other disturbed soil shall be protected from rain and erosion by plastic sheets or other covering.*
- (6) All areas disturbed by grading shall be revegetated with temporary or permanent erosion control devices in place.*
- (7) Impervious surfaces such as driveways and walkways shall be limited to the smallest functional size.*
- (8) Exterior decks shall be located to avoid trees. Solid exterior decks shall be limited to 10% of the permitted footprint, while decks of permeable construction (i.e., open wood slats) shall be limited to 30% of permitted footprint.*

2. Consistency Analysis

The project is located in the Lodge Hill neighborhood of Cambria. West Lodge Hill is an extensive residential area located within the Monterey Pine forest terrestrial habitat. The topography of the West Lodge Hill area is varied with numerous ridges, gullies, and steep slopes. The project site has average slopes of 26 percent with some steeper areas. As proposed, grading or removal of ground cover for the residence will involve approximately 1290 square feet of soil, and total site disturbance will affect approximately 3,167 square feet of the parcel. According to the Negative Declaration prepared December 21, 2001, soil characteristics of the site are described as very poorly drained with moderate erodibility and moderate landslide potential.

The project has the high potential to have adverse impacts to the watershed through the proposed alteration of natural drainage patterns, and contributing sediments and pollutants to coastal waters. This project is located in an area (Lodge Hill) notorious for drainage and erosion control problems.

Construction activities can adversely impact coastal water quality by discharging debris and pollutants into watercourses, and by causing erosion and sedimentation through the removal of vegetation and the movement of dirt. The increase in impervious surfaces that will result from the project will also impact coastal water quality by altering natural drainage patterns and providing areas where for the accumulation of pollutants that will eventually be carried into coastal waters by storm water.



3. Drainage and Erosion Control Conclusion

In order to comply with Section 23.05.044 of the Coastal Zone Land Use Ordinance, a drainage and polluted runoff control plan is required by Special Condition 3 to ensure that site drainage will be effectively managed during and after construction. With this condition, the project complies with all applicable LCP drainage and water quality protection provisions. As such, and only as conditioned, the Commission approves the project and finds it consistent with the San Luis Obispo Certified LCP.

D. Archaeological Resources

1. LCP Archaeological Resources Policy

Policy 1 for Archaeology: Protection of Archaeological Resources. *The county shall provide for the protection of both known and potential archaeological resources. All available measures, including purchase, tax relief, purchase of development rights, etc., shall be explored at the time of a development proposal to avoid development on important archaeological sites. Where these measures are not feasible and development will adversely affect identified archaeological or paleontological resources, adequate mitigation shall be required.*

2. Consistency Analysis

The subject property is entirely within the boundaries of a known archeological site – (SLO-177). According to the County's staff report, the lot is located on the outside edge, and downslope of the archeological site. The materials discovered at this site during investigations indicate that it is an Early Period site, however, other artifacts recovered include materials from Middle and Late Period occupations. In addition, previous investigations in other areas of SLO-177 discovered multiple burials, indicating that a cemetery is likely present in this area.

A Phase I archeological survey was prepared by Parker and Associates in December of 2000. The report identified that the lot contained surface indications of cultural resources; however, the area appeared to be filled or damaged during previous road construction. In April 2001, a subsurface evaluation (Phase II) was performed on the property (Parker and Associates). The evaluation identified that there is a limited distribution of cultural materials on the lot, indicating that the area was used for two primary functions: stone tool manufacture, and shellfish processing. The sparse distribution of this material suggests that this parcel is away from central activity areas associated with SLO-177.

The County investigated a number of design options that would reduce or minimize the disturbance to the archeological resources. In particular, the project architect examined foundation design options including: slab foundation, fill, caisson or pole foundations, and perimeter foundation. A perimeter type foundation was found to result in the least disturbance (in volume) to the cultural resources and is the most feasible due to the steepness of the site. Also to minimize impacts to archaeological resources, the additional square footage allowed on the site by the TDC program is accomplished through cantilevering.



Parker and Associates has recommended a mitigation plan that includes Phase III (data recovery). The amount of material to be excavated would be determined in coordination with the Archeological Conservancy and Greenspace, a local landtrust. The County conditioned its approval of the project subject to six (6) special archeological resource protection conditions.

3. Archaeological Resources Conclusion

Since the property is in close proximity to a significant cultural resource site, there is the chance that archeological resources may be impacted during construction activities. The County review and analysis appears to be comprehensive and thorough. Thus, Special Condition 4 of this approval requires the Applicant to retain all special conditions imposed by the County of San Luis Obispo in the local approval D010064P (County Condition of Approvals # 6, 7, 8, 9, 10, and 11). See Exhibit 1 for a complete copy of the County's Final Local Action Notice.

Therefore, as conditioned the project is consistent with the requirements of Policy 1 for Archaeology and may be approved.

6. California Environmental Quality Act (CEQA)

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary of Resources as being the functional equivalent of environmental review under CEQA. This staff report, which is incorporated into this finding in its entirety, has discussed the relevant coastal resource issues with the proposal, and has recommended appropriate mitigations to address adverse impacts to said resources. Accordingly, the project is being approved subject to conditions which implement the mitigating actions required of the applicant by the Commission (see Special Conditions). As such, the Commission finds that only as modified and conditioned by this permit will the proposed project not have any significant adverse effects on the environment within the meaning of CEQA.

